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September 1, 2006

Mary L. Cottrell, Secretary
Department of Telecommunications & Energy
Commonwealth of Massachusetts
One South Station, 2nd Floor
Boston, MA 02110

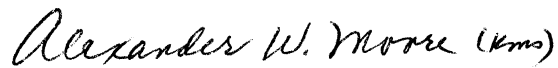
Re: D.T.E. 06-4 – E911 Surcharge

Dear Ms. Cottrell:

Enclosed for filing in the above matter is the Initial Brief of Verizon Massachusetts.

Thank you for your attention to this matter.

Sincerely,


Alexander W. Moore

Enclosure

cc: Tina W. Chin, Hearing Officer
Paula Foley, Assistant General Counsel
Michael Isenberg, Director – Telecommunications Division
Berhane Adhanom, Analyst, Telecommunications Division
Service List

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

Investigation by the Department of Telecommunications)
and Energy to establish a permanent surcharge to recover)
prudently incurred costs associated with the provision of) D.T.E. 06-4
wireline Enhanced 911 Services, relay services for TDD/TTY)
users, communication equipment distribution for people)
with disabilities, and amplified headsets at pay telephones.)

INITIAL BRIEF OF VERIZON MASSACHUSETTS

The Department opened the above captioned docket to establish a permanent surcharge to replace the interim surcharge established on July 14, 2003 in D.T.E. 03-63. The surcharge is intended to fund the necessary expenses actually incurred by the State Emergency Telecommunications Board ("SETB") in providing Enhanced 911 service, relay services for TDD/TTY users, communications equipment distribution for people with disabilities and amplified handsets for telephones and to fund payment of the deficit remaining from prior the pre-surcharge funding mechanism.

On August 23, 2006, SETB filed its Response to Record Request DTE-2, attaching revised spreadsheets projecting its costs for the above programs through 2007 under two different scenarios and proposing two alternative surcharge amounts. Verizon New England Inc., d/b/a Verizon Massachusetts ("Verizon MA") has two concerns with regard to SETB's cost projections.

First, Verizon MA agrees with the Department's finding in the *E911 Interim Surcharge Order*, at 6-7, that "...although the SETB may decide that a specific category of expense is necessary, all expenses made in that category must still be prudently incurred."


Surcharges should be set at the lowest rate that adequately covers the expenses prudently incurred by SETB in providing its services, in order to ensure that wireline telephone consumers are not burdened with additional taxes on their telephone service. The "MCC Training Fund Proposal" shown in SETB's spreadsheets is supplemental to the existing operational training and should not be considered a prudently incurred expense to be paid by end-users of wireline communications in the Commonwealth. More generally, SETB's Scenario 2 appears to result in a more prudent surcharge rate more in line with the current surcharge than would Scenario 1 and should be preferred.

Second, frequent changes to the line items in Verizon MA bills and multiple customer notifications of up coming changes lead to customer confusion and dissatisfaction. For this reason, Verizon MA suggests that whatever permanent surcharge the Department approves, that amount should remain constant and should not fluctuate before December 31, 2007.

Respectfully submitted,

VERIZON MASSACHUSETTS

By its attorneys,


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Dated: September 1, 2006